

Chair Boyle called the regularly scheduled meeting to order at 10:02 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present.

#### GENERAL ADMINISTRATION

Notice was duly published September 16, 2003, on Page 8 of The Daily Record that the regular public meeting of the Commissioners of the Nebraska Public Service Commission would be held September 23, 2003, at 10:00 a.m. in the Commission Hearing Room, 300 The Atrium, 1200 N Street, Lincoln.

Attention was called to the following proceedings:

#### Tuesday, September 23, 2003:

GW-2154      Commission Hearing Room, Lincoln.    Telephonic Hearing  
11:00      Pride Grain LLC, Long Pine seeking special storage rates.  
             Commissioner Vap chairing.

C-2910      Commission Hearing Room, Lincoln.    Oral Argument  
1:30      Lincoln Electric System, Lincoln, seeking contract carrier  
             permit authority.    Commissioner Landis chairing.

#### Tuesday, September 30, 2003:

B-1615      Commission Hearing Room, Lincoln.  
3:00      Terry Lee Blakey, dba Need A Lift Transportation, Omaha,  
             seeking authority as a common carrier of passengers in open  
             class service between points in Cass, Douglas, Sarpy and  
             Washington counties by van over irregular routes.  
             Commissioner Vap chairing.

#### Wednesday, October 1, 2003 and Thursday, October 2, 2003 (if needed):

NUSF-26      Commission Hearing Room, Lincoln.    Workshop  
10:00      The Commission, on its own motion, seeking to establish a  
             long-term Universal Service Funding Mechanism.    Commis-  
             sioner Vap to be moderator.

#### COMMUNICATIONS DEPARTMENT

FC-1312      In the Matter of Michael J. Haller, Jr., Omaha, vs. Qwest,  
             alleging unsatisfactory business practices:    Upon agreement  
of all Commissioners, an order was entered to dismiss the complaint as  
satisfied.

FC-1313      In the Matter of A&H Enterprises, d/b/a Platte Valley  
             Internet, Columbus, vs. Citizens Communications, d/b/a  
Frontier, Burnsville, Minnesota, regarding a billing dispute:    Upon  
agreement of all Commissioners, a hearing was set for October 1, 2003,  
at 3:00 p.m. in the Commission Library, Lincoln.    Commissioner Rod  
Johnson will preside as Hearing Officer.

COMMUNICATIONS DEPARTMENT (Cont.)

C-2872 In Matter of Great Plains Communications, Inc., Blair, seeking arbitration to resolve issues relating to an interconnection agreement with WWC License L.L.C., Issaquah, Washington: Upon agreement of all Commissioners, an order was entered approving the interconnection agreement as modified. Commissioners Boyle and Lowell Johnson filed a concurring opinion.

C-2995 In the Matter of Qwest Communications Corporation, Denver, Colorado, seeking authority to operate as a competitive local exchange carrier of telecommunications services within the state of Nebraska: Gene Hand informed the Commission that the application was amended to seek authority only in the areas not currently provided local service by Qwest. Upon agreement of all Commissioners, a planning conference was set for October 7, 2003, at 1:30 p.m. in the Commission Hearing Room, Lincoln. Commissioner Boyle will preside as Hearing Officer.

C-3003 In the Matter of Capsule Communications, Inc., Chattanooga, Tennessee, seeking authority to operate as a resale common carrier of telecommunications services within the state of Nebraska: Upon agreement of all Commissioners, the application was granted.

C-3004 In the Matter of Teleglobe USA LLC and Teleglobe America, Inc., both of Reston, Virginia, seeking authority to conduct a Pro Forma corporate change: Upon agreement of all Commissioners, the application was granted.

C-3007 In the Matter of Qwest Communications, Denver, Colorado, seeking approval of resale interconnection agreement with AltiComm, Inc., Canton, Massachusetts: Upon agreement of all Commissioners, the agreement was approved.

C-3012 In the Matter of the Commission, on its own motion, seeking to conduct a critical cost analysis for Aliant Communications Co., d/b/a ALLTEL as a result of the Nebraska Technology & Telecommunications, Inc. and ALLTEL arbitration conducted in Application C-2648: Upon agreement of all Commissioners, an order was entered to open the docket.

Gene Hand discussed a news item concerning Wisconsin state regulators saying an Internet voice-calling service provider is subject to the same rules as traditional phone companies, the second major move by a state to regulate Internet phone service.

Engineering Division

E-2016 In the Matter of Lincoln Electric System, Lincoln, seeking  
E-2017 authority to construct, operate and maintain electric  
transmission lines in Lancaster County: Upon agreement of  
all Commissioners, the applications were granted.

COMMUNICATIONS DEPARTMENT (Cont.)

E-2018 In the Matter of Norris Public Power District, Beatrice, seeking authority to construct, operate and maintain an electric transmission line in Jefferson County: Upon agreement of all Commissioners, the application was granted.

C-1889 In the Matter of GCC License Corporation (Western Wireless), Issaquah, Washington, seeking designation as an Eligible Telecommunications Carrier that may receive Universal Service support: Gene Hand discussed the status of the amended advertising plan. The staff will propose a process for Commission review of the plan.

UNIVERSAL SERVICE FUND

NUSF-25 In the Matter of the Commission, on its own motion, seeking to establish guidelines for the purpose of certifying the use of federal universal service support: Upon agreement of all Commissioners, an Order was entered approving Western Wireless for federal universal service support. Motion made by Commissioner Frank Landis, seconded by Commissioner Lowell Johnson. Motion Passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NUSF-33 In the Matter of the Commission, on its own motion, seeking to investigate the audit requirements related to the Nebraska Universal Service Fund: Jeff Pursley was authorized to accept audits under the previous format and to continue to work on a new set of requirements.

NUSF-37.1 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Complainant, vs. Telebeep, Inc., Respondent: Upon agreement of all Commissioners, an Order was entered dismissing the complaint. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

NUSF-37.2 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Complainant, vs. Telebeep, inc., Respondent: Upon agreement of all Commissioners, an Order was entered dismissing the complaint. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

UNIVERSAL SERVICE FUND DEPARTMENT (Cont.)

NUSF-37.3 In the Matter of Jeffrey L. Pursley, Director, Nebraska Universal Service Fund Department, Complainant, vs. Global Tel\*Link, Respondent: Upon agreement of all Commissioners, an Order was entered dismissing the complaint. Motion made by Commissioner Lowell Johnson, seconded by Commissioner Rod Johnson. Motion passed with Commissioners Anne Boyle, Lowell Johnson, Rod Johnson, Frank Landis, and Jerry Vap voting AYE.

Jeff Pursley reported on the Late-Filed Carrier Remittance Report, proposing a late handling fee for Telephone Systems of Nebraska, AmeriVision Communications, Univance Telecommunications, FiberComm, LC, and Aliant Communications. The late handling fee for Hemingford Cooperative Telephone Company was waived. Proposed filing of a complaint against Matrix Telecom, Inc., AmeriVision Communications, Evercom Systems, Inc., Continental Paging, and Charter Fiberlink were approved.

Jeff Pursley discussed the Nebraska Health and Human Services (NHHS) Memo regarding the Nebraska Telephone Assistance Program (NTAP) and proposed a response. Mr. Pursley was directed by the Commission to prepare and forward a response.

NATURAL GAS AND WATER DEPARTMENT

NG-0001 In the Matter of Aquila, Inc., d/b/a Aquila Networks  
NG-0002 (Aquila), Omaha, seeking a general rate increase for  
NG-0003 Aquila's Rate Area One, Rate Area Two and Rate Area Three:  
Miles Halcomb informed the Commission that the Hamilton County Board of Commissioners filed a request for close scrutiny. Upon agreement of all Commissioners, assessment orders were entered.

NG-0004 In the Matter of Aquila, Inc., d/b/a Aquila Networks  
(Aquila), seeking a waiver of notice and publication and to implement supply cost adjustment rate schedules for Aquila's Rate Area One, Rate Area Two and Rate Area Three: Upon agreement of all Commissioners, an assessment order was entered.

NG-0011/ In the Matter of the Commission, on its own motion, seeking  
PI-74 to conduct an investigation for the purpose of monitoring NorthWestern Energy's financial condition and ability to continue providing adequate and reliable service to its customers: Miles Halcomb informed the Commission that Commission discovery requests were mailed September 18, 2003.

Miles Halcomb discussed Gas Cost Adjustment presentations by Aquila, Northwestern and Kinder Morgan.

NATURAL GAS DEPARTMENT (Cont.)

Miles Halcomb informed the Commission that Aquila, Inc., Kinder Morgan and NorthWestern Energy were sent letters requesting compliance to Section 20 of the Natural Gas Act.

Miles Halcomb discussed the Weekly Natural Gas Storage Report.

RULES AND REGULATIONS

Rule and     In the Matter of the Commission, on its own motion, seeking  
Regulation to amend Title 291, Chapter 5, Telecommunications Rules and  
#151         Regulations, Sections 002, Local Exchange Service, and 003,  
              Interexchange Service, and to recodify these sections to  
correct technical errors such as grammar, punctuation, spelling,  
sequential numbering, etc.: Upon agreement of all Commissioners, an  
amended Certificate of Adoption was entered.

Rule and     In the Matter of the Commission on its own motion, seeking  
Regulation to amend Title 291, Chapter 9, Pipeline Common Carriers  
#157         Rules and Regulations, to adopt rules in accordance with  
              Nebraska Legislative Bill 790 [2003]: Upon agreemet of all  
Commissioners, a 30 day hearing notice waiver requirement was  
approved.

TRANSPORTATION DEPARTMENT

B-1503       In the Matter of Top Star Services, LLC, Weeping Water,  
Supp. 2     seeking authority as a common carrier of passengers by  
              limousine between points in Cass, Otoe, Sarpy, Douglas,  
Dodge, Washington, Saunders, Lancaster, Johnson, Nemaha, Pawnee and  
Richardson counties over irregular routes. RESTRICTION: The trans-  
portation of railroad train crews and their baggage is not authorized:  
Upon agreement of all Commissioners, the application was granted as  
amended.

B-1615       In the Matter of Terry Lee Blakey, dba Need A Lift Transpor-  
              tation, Omaha, seeking authority as a common carrier in  
Nebraska intrastate commerce in open class service by van between  
points in Cass, Douglas, Sarpy and Washington counties over irregular  
routes. To include clients of the Nebraska Department of Health and  
Human Services and their subcontractors thereof: The hearing  
previously set for September 4, 2003, was continued and reset as a  
video hearing on September 30, 2003, at 3:00 p.m. in the Commission  
Library, Lincoln, and Nebraska State Office Building, Room 207, Second  
Floor, 1313 Farnam, Omaha. Commissioner Boyle will preside as Hearing  
Officer.

TRANSPORTATION DEPARTMENT (Cont.)

Rate Division

LR-240 In the Matter of Omaha Ambulance Service, Omaha, seeking authority to amend its transportation rates: Upon agreement of all Commissioners, the application was granted.

LR-241 In the Matter of American Ambulance Service, Omaha, seeking authority to amend its transportation rates: Upon agreement of all Commissioners, the application was granted.

BR-288 In the Matter of Advantage Transport, Inc., Sioux City, Iowa, seeking authority to establish charter bus rates for its use: Upon agreement of all Commissioners, the application was granted on an emergency basis.

MR-930 In the Matter of Movers and Warehouse Division, Nebraska Motor Carriers Association, Lincoln, seeking authority to establish a fuel surcharge in Nebraska Official Household Goods Tariff 7-E: The fuel surcharge was retained at 16 cents per mile and the taxi surcharge was reduced to 25 cents per trip.

GENERAL ADMINISTRATION

The Commission approved the following invoices:

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|------------------------------------|-----------|
| Department of Correctional Sevices | \$ 593.75 |
| DAS - Materiel - Postage           | 381.42    |
| Data Source Media                  | 297.50    |
| Kelly Servcies                     | 420.00    |

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The meeting adjourned at 10:57 a.m. with Commissioners Boyle, Lowell Johnson, Rod Johnson, Landis and Vap present. The next regularly scheduled meeting will be held on October 7, 2003, at 10:00 a.m. with an agenda to be available in the office of the Executive Director at 10:00 a.m. on October 6, 2003.

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Chair

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Executive Director